also signed an Agreement for setting up of a Science and Technology Forum and issued a joint Statement on Co-operation in Energy and Environment.

The Vision Statement expresses the desire of the two countries to chart a new and purposeful direction in bilateral relations and to establish a closer and qualitatively new relationship. It outlines the contours of defines the agenda of partnership in the 21 st century. As part of the vision of the new relationship, the two sides agreed on an architecture of regular, wide-ranging and multi-layered institutionalised dialogue. Under this architecture, the two sides agreed on regular bilateral summits between Prime Minister and the US President. There will also be regular dialogue on foreign policy and security matters at the ministerial and official levels. An institutional framework for dialogue on economic and commercial issues, counter- terrorism, energy and environment, and science and technology has also been established.

The Forum on Science and Technology is designed to facilitate interaction between the scientific communities of the two countries and to enhance collaboration in the erea of science and technology.

The Joint Statement on Cooperation in energy and Environment express the intention of the two countries to create a Joint Consultative Committee to foster greater bilateral co-operation, Government-to-Government dialogue and further encourage public and private sector co-operation in these sectors. The Joint Consultative Group will ensure an institutional framework between the two countries to (a) identify, initiate and monitor public and private collaborative projects in research, development, transfer, deomonstration and deployment of appropriate technologies and review policies in the areas of clean energy, renewable energy, energy efficiency and power sector reform, (b) explore, and expand opportunities for commercial development and cooperation in clean energy, and.(c) enhance co-operation on climate change issues that arise in the context of the United National Framework Convention on Climate.

(c) Both sides has agreed to take early steps to implement the institutional dialogue. Prime Minister has accepted the invitation of President Clinton to visit the US at a mutually convenient time.

Phasing Out of Subsidy of Petroleum Products

*660. SHRI NANA DESHMUKH: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that Government are determined to phase out subsidy on all petroleum products by 2002 by delinking the subsidy from International Crude Oil prices;

(b) what is the present rate of subsidy on each petroleum product and what would be its cost without subsidy;

(c) whether Government would see that afterwards the benefits arising out of fluctuations in petroleum products in international market would be given to the consumers; and

(d) if not, the reasons therefore?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI RAM NAIK): (a) Government, in November, 1997, decided to dismantle and Administered Pricing Mechanism in a phased manner. The said decision, inter alia, includes the following:

(i) that subsidy on kerosene for public distribution would be brought down to 3.33% of the import parity price by the year 2001-02.

(ii) That subsidy on domestic LPG would be brought down to 15% during the year 2000-01.

(iii) That price of diesel would continue to be fixed on the principle of import parity as per Cabinet decision of 01.09.1997.

(b) The estimated subsidy on kerosene for public distribution, domestic LPG and High Speed Diesel (HSD), based on May 2000 prices, are as under:

	Current ex-storage paint price	Current import parity based ex-storage	Current subsidy point price
Domestic LPG	Rs. 154.01/Cylinder	Rs. 297.09 Cylinder	Rs. 143.08 Cylinder
Kerosene (PDS)	Rs. 4.50/ Litre	Rs. 8.99/ Litre	Rs. 4.99/ Litre
High Speed Diesel	Rs. 9.63/ Litre	Rs. 10.66/Litre	Rs. 1.03/ Litre

(c) and (d) Afterwards, the impact of rise/fall in the prices of petroleum products in the international market would be reflected in the selling prices.